COUNCILLOR CHARTER

The Hospitals Contribution Fund of Australia Ltd
(ACN 000 026 746)

(the "Company" or "HCF")

HCF BOARD APPROVAL DATE: 12 AUGUST 2025

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1. INTRODUCTION AND PURPOSE OF THIS CHARTER

The Councillor Charter ("the **Charter**") is to serve as a guiding document for the roles, responsibilities and functions of Councillors. The intent of this Charter is to provide a guide to the proper functioning of the Council and its members as outlined in the Constitution of the Company (**Constitution**), but always subject to the Constitution. This Charter in no way alters the Constitution, nor the rights and obligations in it.

2. SCOPE AND AUTHORITY

This Charter shall be approved, amended or otherwise varied only by approval of the Board of the Company (**Board**) following consultation with the Councillors.

If there is any conflict between this Charter and the Constitution, the Constitution will prevail.

Capitalised terms not otherwise defined in this Charter have the meaning given to them in the Constitution.

In some places in this Charter, the terms "Council" and "full Council" are used. Those terms are not intended to create a new concept and merely refer to the Councillors as a group of people. Under the Constitution, there are:

- "Councillors" – who are the members of the HCF, comprising:
  - "Elected Councillors" – being those persons elected as such by voting policyholders or appointed to fill a casual vacancy or as an additional appointment (being up to 16 persons); and
  - "Board Councillors" – being the Chairman of the Board and each "Elected Director" (other than the Chairman) appointed as a "Board Councillor" (being up to 8 persons),

in each case, in accordance with the relevant provisions of the Constitution; and

- "Directors" – being the directors from time to time of HCF who together comprise the Board (the maximum number of Directors is ten). Persons who are Directors may also be Board Councillors. The business of HCF is to be managed by or under the direction of the Directors.

The Councillors will meet in their capacity as members (for example at general meetings) and at Company facilitated information briefings. Elected Councillors may also meet informally, but these informal meetings are not recognised by the Constitution.

3. ROLE AND RESPONSIBILITIES

3.1. ROLE OF COUNCILLORS

Councillors are the members of HCF and have the rights and responsibilities set out in the Constitution and at law. Without limiting article 13 of the Constitution, in exercising these rights and responsibilities, Elected Councillors should:

- have regard to the Objects of the Company; and
- take an active interest in the governance of HCF.

Except as set out in the Constitution, the Council does not carry any decision-making power, nor shall any views or determinations be binding upon the Company or the Board.

3.2. RIGHTS AND RESPONSIBILITIES

As members, Councillors have the rights and responsibilities set out in the Constitution and at law and may exercise those in general meeting or as otherwise permitted by the Constitution and the law.

This includes:

- right to receive Notice of all Meetings of the Company;
- right to vote at any Meeting of the Company or on any matter as a member of the Company and participate in any matters set before the meeting;
- specifically, to participate, and if required, vote on any matter at the Annual General Meeting, including:
  - consideration of the annual financial report, Directors' report and auditor's report;
  - the appointment and/or removal of Directors;

- declaration of any election of Councillors;
- the appointment and removal of the external auditor;
- the fixing of the auditor's remuneration;
- determination of the Board Councillors' (Directors) remuneration pool;
- amendment to the Constitution (through special resolution)
- other matters as required.

Councillors must do each of the following:

- abide by the Constitution of the Company, this Charter, and any laws or regulations binding upon them;
- become a member of the Company;
- confirm that they meet the relevant eligibility criteria to remain a Councillor;
- in exercising any power or obligation conferred on them under the Constitution, act in good faith and in the best interests of the Company and for a proper purpose; and
- in exercising any power or obligation conferred on them under the Constitution, act in a manner that best promotes the Objects of the Company.

Councillors must also:

- attend information briefings convened by the Company;
- ensure that they have the skill, knowledge and expertise to fulfil their responsibilities;
- devote as much time and attention to meetings of Councillors for them to carry out their responsibilities;
- ensure the maintenance of independence so that the exercise of powers is not in accordance with instructions or directions of any other person or organisation;
- notify the Company of any changes to their personal details or ability to fulfil their responsibilities;
- provide views to the Board when requested;
- engage with the Board and Company through the Chair, as appropriate; and
- not engage directly with Policyholders of the Company, in the exercise of their role.

3.3 COUNCILLORS' ATTENDANCE AT MEETINGS

It is expected that Elected Councillors make themselves available to attend the scheduled Councillor Meetings in person, including the AGM, as set out in Clause 6 "Conduct of Councillor Business". If necessary, Elected Councillor attendance at the scheduled Councillor 'information briefing' meetings may be satisfied by on line attendance.

Subject to continuing to fulfil the relevant eligibility criteria, Councillors may request a leave of absence from the Chair if they are unable to attend a general meeting or an information briefing. If three consecutive meetings are missed without leave having been sought, this may constitute grounds for expulsion.

4. ROLE OF THE CHAIR

The Chair of the Board will chair meetings of Councillors. If the Chair is not available the Board will appoint a Board Councillor as Chair. The Chair is responsible for:

- managing the agenda;
- the general conduct of meetings and procedures to be adopted;
- maintaining adherence with the Constitution.

More generally, the Chair is also responsible for:

- consulting with the Board on behalf of the Councillors;
- consulting with the Councillors on behalf of the Board either collectively or via the Convenor;
- facilitating the pre-approval of Councillors' reasonable educational expenses, necessary for them to understand their role; and

- ensuring Councillors receive the appropriate induction.

5. COUNCILLOR STRUCTURE

The number of Elected Councillors must not exceed double the number of Board Councillors, except where this is temporarily the case due to a Board Councillor ceasing to be a Board Councillor under the Constitution.

The number of Elected Councillors must not exceed 16. The number of Board Councillors must not exceed 8.

Except as the Board may otherwise determine, all appointments of Elected Councillors will be made by the Voting Policyholders in accordance with the rules of the Constitution.

6. CONDUCT OF COUNCILLOR BUSINESS

6.1. FREQUENCY OF MEETINGS

The Councillors will meet on at least four (4) occassions each year at appropriate intervals.

Of these four (4) meetings:

- one of these will be the Annual General Meeting; and
- the other three of these will be Councillor information briefings (one held on the day of the AGM), where the Elected Councillors receive briefings from the Board Councillors and Company Executives.

The Councillors may meet on other occasions, whether as members of the Company in a general meeting or informally.

6.2. QUORUM FOR GENERAL MEETINGS

The quorum for a general meeting of the Company is at least 33.3% of the Councillors, comprising at least 25% of the Councillors who are Elected Councillors and at least 50% of Councillors who are Board Councillors.

6.3. COUNCIL CHAIR

The Chair of the Company Board presides as the Chair at every meeting of the full Council.

If the Company has no Chair, or the Chair is unwilling or unable to chair the meeting then the Board shall elect a Board Councillor to chair the meeting.

6.4. SECRETARY

Secretariat duties will be provided by the HCF Group Company Secretary or their delegate.

6.5. CONDUCT OF COUNCILLOR MEETINGS

General meetings and Councillor information briefings will be formally structured, held in appropriate facilities with timely notice, agendas, supporting papers and minutes of prior meetings distributed sufficiently in advance. Minutes of Councillor information briefings do not constitute minutes of meetings of the Company.

Councillors may only exercise their powers and voting rights as members at a general meeting and do so pursuant to the rules outlined in the Constitution.

Except as provided in the Corporations Act, no Councillor (acting as a member of the Company) may call a general meeting.

The business of the Annual General Meeting, as detailed in the Constitution, may include the following (even if not referred to in the notice of meeting):

- consideration of the annual financial report, Director's report and auditor's report;
- declaration of the result of any election of Elected Councillors;
- declaration of the result of any election of Elected Directors;
- the appointment of the external auditor;
- the fixing of the auditor's remuneration; and

- determining the Directors' remuneration pool.

6.6. ELECTED COUNCILLOR MEETINGS

The Elected Councillors may choose to meet without Board Councillors to independently consider matters related to the Council including, but not limited to:

- efficient and effective administration of the Council;
- factors relevant to the performance of the Board as a whole;
- governance of the Company generally.

Any such meeting shall not carry any decision-making power, nor shall any views or determinations be binding upon the Company or the Directors. These meetings have no legal identity or authority.

The Council may elect on an annual basis a "Council Convenor" who will be an Elected Councillor. The Council Convenor shall act to facilitate meetings of the Council absent the Board Councillors and shall work with the Chair to facilitate discussions and raise matters that the Board and/or the Elected Councillors consider worthy of furtherance.

The Council Convenor shall be facilitatory in nature and shall not hold any inherent representative or authoritative power except as properly authorised by the Board and the Council.

At any meeting of the Council absent the Board Councillors any appointed Council Convenor shall preside. Where the Council Convenor is unable or unwilling to preside, the remaining Elected Councillors shall appoint any one of their number to preside at that meeting.

At a mutually convenient time, following any meeting of the Council absent the Board Councillors, the Council Convenor shall meet with the Chair in a timely manner to discuss any matters arising from the discussions of the Elected Councillors for the benefit of the Board.

6.7. SCHEDULE OF MATTERS

Prior to the Annual General Meeting, the Elected Councillors shall consider the "Schedule of Matters" and any requested changes shall be presented for consideration of the Board at their next meeting. The Schedule of Matters shall provide an outline of the topics and material to be addressed across the following year for the Council's consideration at Council information briefings.

The Schedule of Matters shall be a guide to the Chair as to the content of Council information briefings. The Chair shall retain discretion on the agenda.

7. SUPPORT AND INFORMATION

Councillors shall be supported to fulfil their rights and responsibilities through:

- relevant support and guidance from the Chairman;
- a process of induction sufficient to understand and allow them to fulfil the roles and responsibilities of a Councillor;
- provision of administrative support in a manner to be determined by the Chairman from time to time;
- relevant support and guidance from the Company Secretary as required;
- such other supports as the Board may deem appropriate from time to time.

Councillors shall be entitled to:

- timely, efficient, and effective information sufficient to execute their responsibilities including but not limited to the type of information specified in the Schedule of Matters;
- education, training, and support as required to fulfil the duty of Councillor at the reasonable expense of the Company, in the manner and to the extent determined by the Board from time to time;
- any other information that the Councillors (in their capacity as members in general meeting) and the Chair consider relevant to their responsibilities.

Elected Councillors shall not be entitled to:

- information concerning the business, trading, trade secrets, procedures or operational practices, customers, or other matters that in the view of the Board may be regarded as secret, or confidential, that would not otherwise be provided to members of a company, the public, or as required by the Constitution or at law.
- inspect any document of the Company other than the minutes of general meetings and other documents authorised for their inspection by the Directors or the Company or the law.

8. REVIEW OF CHARTER AND PERFORMANCE

A biennial review of this Charter shall be conducted by a duly elected sub-committee of Elected Councillors, so appointed by the entire Council.

A biennial review of the performance of the Council collectively shall be conducted in the following manner:

- at a meeting of Council members absent of Board Councillors, the Council shall consider and review the performance of the Council against the requirements of the Council as set out in this Charter and the Constitution and provide a feedback report to the Board;
- the Board shall consider the feedback report and provide comment to the full Council including, but not limited to, any proposed practice improvements or amendments to this Charter (if required).

I confirm that I have reviewed this Charter.

TITLE	DATE	SIGNATURE
Group Company Secretary	10 August 2025	*Nathan Francis*

Do you have a question? Contact the HCF Company Secretary Team



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